

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:
Martinsburg Post Office
Martinsburg, New York

Docket No. A2011-77

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(November 3, 2011)

On September 16, 2011, the Postal Regulatory Commission's (Commission's) Office of the Secretary received a petition for review postmarked September 9, 2011, from the Citizens of Martinsburg (Petitioner), objecting to the discontinuance of the Post Office at Martinsburg, New York. The petition was signed by 67 individuals. On September 21, 2011, the Commission issued Order No. 866, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 866, the administrative record was filed with the Commission on October 3, 2011. The Commission received no additional written communications from other customers of the Martinsburg Post Office. On October 20, 2011, the Petitioner filed a letter addressed to the Postal Service's Manager, Post Office Operations responsible for the Martinsburg Post Office with the Commission. The following is the Postal Service's answering brief in support of its decision to discontinue the Martinsburg Post Office.

The appeal received by the Commission raises three main issues: (1) the effect on postal services, (2) the impact upon the Martinsburg community, and (3) the calculation of economic savings expected to result from discontinuing the Martinsburg

Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. Additionally, consistent with the Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Martinsburg Post Office should be affirmed.

Background

The Final Determination to Close the Martinsburg, AR Post Office and Establish Service by Rural Route Service (Final Determination or FD), as well as the administrative record, indicate that the Martinsburg Post Office provides EAS-11 level service to 86 Post Office Box and general delivery customers and to its retail customers 42 hours per week. The Martinsburg Post Office has no street delivery customers. FD at 2; Item No. 18 at 1.² The postmaster of the Martinsburg Post Office was promoted on March 4, 2006. A noncareer postmaster relief was installed as the temporary officer-in-charge (OIC). Upon implementation of the Final Determination, the noncareer OIC may be separated from the Postal Service. FD at 8; Item No. 21 at 1. The average number of daily retail window transactions at the Martinsburg Post Office is 13. Revenue has been declining: \$23,737 in FY 2008 (62 revenue units); \$23,304 in FY 2009 (61 revenue units); and \$21,611 in FY 2010 (56 revenue units). The Martinsburg Post Office has no meter or permit customers. FD at 2; Item No. 18 at 1.

¹ See 39 U.S.C. 404(d)(2)(A).

² In these comments, specific items in the administrative record are referred to as "Item ____."

Upon implementation of the Final Determination, delivery and retail services will be provided by the Lowville Post Office, an EAS-18 level office located three miles away, which has 160 available Post Office Boxes. FD at 2.

The Postal Service followed the proper procedures which led to the posting of the Final Determination. All issues raised by the customers of the Martinsburg Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. A letter from the Manager, Post Office Operations was distributed to post office box customers and made available to Martinsburg's retail customers. The letter advised customers that the Postal Service was evaluating whether the continued operation of the Martinsburg Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the nearby Lowville Post Office. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item No. 21 at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item Nos. 22 and 23. Also, representatives from the Postal Service were available at the Martinsburg Post Office for a community meeting on May 12, 2011, to answer questions and provide information to customers. FD at 2; Item No. 21 at 5; Item Nos. 24 and 25.³ Customers received formal notice of the Proposal and FD through postings

³ The Petitioner states that the community meeting was held at a time when it was inconvenient for

at nearby facilities. The Proposal was posted with an invitation for public comment at the Martinsburg Post Office and the Lowville Post Office from May 28, 2011 to July 29, 2011. FD at 2. The FD was posted at the same two Post Offices starting on August 25, 2011, and remained posted for at least 60 days, as confirmed by the round-dated FD cover sheets that appear in the administrative record. Item 49.

In light of the postmaster vacancy, a minimal workload, declining office revenue, the variety of delivery and retail options (including the convenience of rural delivery and retail service), no permit mailers or postage meter customers, minimal impact upon the community, and the expected financial savings, the Postal Service issued the FD. FD at 9. Regular and effective postal services will continue to be provided to the Martinsburg community in a cost-effective manner upon implementation of the Final Determination. FD at 2 and 9.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Martinsburg Post Office on postal services provided to Martinsburg customers. The

certain customers' work schedules. The Postal Service notes that its internal regulations give local discontinuance coordinators flexibility in determining meeting times that encourage customer participation. See Handbook PO-101 § 251. No single time is ever consistent with all customer preferences; hours within an office's normal hours of operation generally suit customers who routinely visit that office, while inconveniencing customers who only occasionally visit the office, thereby conflicting with their work hours in many cases. In this case, the meeting was held from 11:00 a.m. until 1:00 p.m., during what would ordinarily be the lunch break hours for most working customers. Moreover, the discontinuance study process affords customers who may not be able to attend a meeting multiple alternatives for providing input, including questionnaires, written correspondence at any time, and formal comments on a proposal posted for 60 days.

closing is premised upon providing regular and effective postal services to Martinsburg customers.

The Petitioner, in its letter of appeal, raises the issue of whether closing the Martinsburg Post Office is the best economic option available to the Postal Service, noting the cost of replacement service to the community. The Petitioner also expresses concern about losing a sense of community if the post office is closed after decades of service. In an October 20, 2011 letter to the Manager, Post Office Operations, the Petitioner reiterated concerns about costs, concerns about having to drive to the Lowville Post Office, concerns that senior citizens could not travel to the post office in Lowville for services, and the inconvenience of having to complete the change of address process. These concerns were considered by the Postal Service.

The effect of the closing of the Martinsburg Post Office on the availability of postal services to Martinsburg residents was considered extensively by the Postal Service. Item 36; FD at 2-7. Upon the implementation of the Final Determination, services provided at the Post Office, such as the sale of stamps, envelopes, postal cards, and money orders, will also be available from the carrier to roadside mailboxes located close to customers' residences. Id. Customers opting for carrier service will not have to pay post office box fees. FD at 7. Carrier service also is beneficial to many senior citizens and those who face special challenges because they do not have to travel to the Post Office for service. FD at 2-7. In hardship cases, delivery can be made to the home of a customer. FD at 5-6.

Instead of carrier service, customers may opt for Post Office Box service at the nearby Lowville Post Office, where 160 Post Office Boxes are available. Item 18 at 1; FD at 2. Customers may pay more for Post Office Box rentals at the Lowville Post Office than at the Martinsburg Post Office. Item No. 15 at 2. The Lowville Post Office provides nonpostal services, such as the distribution of government forms. FD at 7.

The Postal Service has considered the impact of closing the Martinsburg Post Office upon the provision of postal services to Martinsburg customers. A highway contract or rural delivery carrier can provide similar access to retail service, alleviating the need to travel to the Post Office. FD at 3-7. P.O. Box service will still be available at the Lowville Post Office, three miles away. Item 23; FD at 2. Thus, the Postal Service has properly concluded that all Martinsburg customers will continue to receive regular and effective service.

Effect Upon the Martinsburg Community

The Postal Service is obligated to consider the effect of its decision to close the Martinsburg Post Office upon the Martinsburg community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Martinsburg is an unincorporated community located in Lewis County. Police protection is provided by the Lewis County Sheriff's Department, and fire protection is provided by the Martinsburg Fire Department. The community is comprised of retired

people, self-employed individuals, and those who commute to work at nearby communities and work in local businesses. FD at 7. Businesses in the community include the Martinsburg United Methodist Church, the Town Highway Department, the Town Clerk, the public library, and the Town Court. In general, the residents of Martinsburg must travel to Lowville or other nearby communities for other supplies and services. Item 22; FD at 7.

The Petitioner's letter of appeal raises the issue of the effect of the closing of the Martinsburg Post Office upon the Martinsburg community. This issue also was considered by the Postal Service, as reflected in the administrative record. FD at 7-8. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. Item 40 at 2; FD at 8. Communities generally require regular and effective postal services and these will continue to be provided to the Martinsburg community. The Postal Service is helping to preserve community identity by continuing the use of the Martinsburg Post Office name and ZIP Code in addresses and in the National Five-Digit ZIP Code and Post Office Directory. FD at 7-8.

In addition, the Postal Service has concluded that nonpostal services provided by the Martinsburg Post Office can be provided by the Lowville Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 7.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Martinsburg Post Office on the community served by the Martinsburg Post Office.

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster was promoted on March 4, 2006. The Martinsburg Post Office is currently staffed by a non-career postmaster relief (PMR). However, upon implementation of the Final Determination, the PMR may be separated from the Postal Service. The record shows that no other employee would be adversely affected by this closing. Item 15; FD at 8. Therefore, in making the determination, the Postal Service has considered the effect of the closing on the employees at the Martinsburg Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Martinsburg Post Office and would still provide regular and effective service. FD at 8-9. The estimated annual savings associated with discontinuing the Martinsburg Post Office are \$19,162.00. FD at 8.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies,

which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). Item 17; Item 36; FD at 8.

The Petitioner states that the savings estimates does not include the cost of “decommissioning” the cost of the Post Office. This is a Postal Service-owned facility. Thus, until the Final Determination is implemented, it is unclear what the costs, if any, of closing the facility may be. It is possible that disposal of the facility will generate a small amount of revenue, if the property is sold.

Although the Petitioner suggests alternative means of reducing costs while maintaining the Martinsburg Post Office, the Postal Service determined that carrier service is more cost-effective than maintaining the Martinsburg postal facility and postmaster position. FD at 9. Further, the Postal Service determined that rural carrier service provides the maximum effective service to the customers of the Martinsburg Post Office. The Postal Service’s cost estimates are supported by record evidence, in accordance with the Postal Service’s statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Martinsburg Post Office on the provision of postal services and on the Martinsburg community, as well as the economic savings that would result from the proposed

closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Martinsburg customers. FD at 9. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). Consistent with the Public Representative, the Postal Service's decision to close the Martinsburg Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Martinsburg Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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